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September 11, 2002

**Via Federal Express**

Mr. John Martin, On-Scene Coordinator  
U.S. Environmental Protection Agency, Region 6  
Superfund Cost Recovery Branch (6SF-R2)  
1445 Ross Avenue  
Dallas, Texas 75202-2733

Re: EPA §104(e) Information Request Asbestos Settlement Trust - Westbank  
Asbestos Site, Jefferson Parish, Louisiana

Dear Mr. Martin:

This letter is provided on behalf of the Celotex Asbestos Settlement Trust and the Celotex Corporation (individually or collectively "Celotex") in response to the United States Environmental Protection Agency's July 10, 2002 demand for information concerning the production of asbestos in the Westbank Asbestos Site in New Orleans, Louisiana ("Site").

I would also like to make you aware with respect to any demand for submission of information or any possible action concerning the Westbank Asbestos Site involving Celotex, that on October 12, 1990, Celotex filed a petition for relief under Chapter 11 of the United States Bankruptcy Code in the U.S. Bankruptcy Court for the Middle District of Florida, Tampa Division (the "Bankruptcy Court"), Case No. 90-10016-8B1. On December 6, 1996, the Bankruptcy Court entered an Order Confirming Plan of Reorganization for Celotex and Carey Canada, Inc. (the "Confirmation Order"), which confirmed the Modified Plan of Reorganization under Chapter 11 of the U.S. Bankruptcy Code for Celotex and Carey Canada (the "Plan"). On March 4, 1997, the Confirmation Order was approved by the Bankruptcy Court and has become final and nonappealable.

The General Claims Bar Date for claims arising from activities prior to October 12, 1990 was August 25, 1992, and the Administrative Claims Bar Date for claims arising from activities subsequent to October 12, 1990 and prior to May 30, 1997 was July 15, 1997. The Bar Date for Asbestos Property Damage Claims was July 29, 1993, and the Bar Date for Asbestos Personal Injury Claims was March 15, 1996. The Reorganization Plan and Confirmation Order contain, inter alia, certain injunctions, including the Discharge Injunction, the Supplemental Injunction, the Third-Party Injunction, and the VPSA Injunction (which terms are defined by the Plan)

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(collectively the "Injunctions"), which are effective and continue in effect on the Effective Date as set forth in the Plan and Confirmation Order. The Injunctions enjoin, among other things, the commencement, in any manner, of any proceeding with respect to any claims, demands, causes of action, or to recover a claim for activities prior to the Effective Date of the Plan against Celotex. Any demand for information or any action by U.S. EPA against Celotex is stayed, restrained, and enjoined under the terms of the Injunctions. Any proceeding relating in any way to EPA's demand for submission of information must be commenced in the Bankruptcy Court. Any EPA claims against Celotex must be resolved by the Bankruptcy Court and Celotex reserves its right to object to any such claims.

Notwithstanding the foregoing, the voluntary provision of the following information in response to U.S. EPA's CERCLA § 104(e) request should not be construed, nor is intended, to waive any protection afforded by the Plan, the Confirmation Order, and the Injunctions.

With respect to its corporate history, Celotex is a Delaware corporation which was reincorporated in 1964. In April, 1972, Celotex purchased an 89% interest in Panacon Corporation ("Panacon"). In connection with such acquisition, Celotex acquired the liabilities of Panacon and its predecessors, including Phillip Carey Corporation ("Phillip Carey"). Phillip Carey had been in the business of manufacturing asbestos-containing insulation materials. Carey Canadian Mines, Ltd., a division of Phillip Carey, operated an asbestos mining and milling operation in Quebec, Canada. Carey Canadian Mines, Ltd. changed its name in 1979 to Carey Canada Inc. ("Carey Canada"). Carey Canada ultimately become a wholly owned subsidiary of Celotex. Accordingly, the asbestos-related claims asserted against Celotex and the concomitant cost of defending the significant number of asbestos-related lawsuits, which was the primary impetus for Celotex's bankruptcy filing, resulted primarily from Celotex's acquisition of Panacon.

After Celotex filed its voluntary bankruptcy petition in October, 1990, its bankruptcy case progressed over a period of several years. Ultimately, Celotex successfully reorganized pursuant to the terms of the Plan. Under the terms of the Confirmation Order, Celotex became a wholly owned subsidiary of the Asbestos Settlement Trust (the "Trust"), a qualified settlement trust established to liquidate and pay Asbestos Claims (as defined in the Plan).

Following confirmation of the Plan, Celotex continued to operate its businesses and properties. In November 1999, the Trust announced its intention to market Celotex to strategic and financial buyers. Ultimately, as a result of this process, Celotex sold its five product lines to four buyers in four separate asset sale transactions. Specifically, Celotex sold its acoustical ceiling and gypsum wallboard businesses to BPB Acquisition, Inc. in June, 2000, its roofing business to Certainteed Corporation in August, 2000, its fiberboard business to Knight Industries, Inc. in June, 2001, and its foam insulation business to The Dow Chemical Company in August, 2001.

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Prior to the divestiture of all its product lines, Celotex was a national manufacturer of a diverse line of building materials. As referred to herein, Celotex's product lines included acoustical ceiling products, laminated asphalt roofing shingles, gypsum wallboard, rigid foam insulation, and fiberboard. As set forth above, Celotex divested itself of its acoustical ceiling, gypsum wallboard and asphalt shingle product lines in 2000 and its fiberboard & foam insulation product lines in 2001. Each asset sale included along with the manufacturing facilities the books and records associated with the business sold.

Effective with the sale of its fifth and last product line in August, 2001, Celotex's operations consist primarily of the activities necessary to wind-up its corporate affairs. Celotex currently employs only eight (8) people.

With respect to EPA's questions concerning the Site, Celotex has very limited information. Celotex has no knowledge of asbestos disposal at the Westbrook Asbestos Site. Celotex owned and operated a fiberboard manufacturing plant in Marrero, Louisiana, from 1921 to June 1, 2001, at which time the plant and all books, records, and documents related to the plant were sold to Knight Industries, Inc. or its assignee Knight-Celotex, LLC. Celotex has no knowledge of the manufacture of products containing asbestos at its Marrero facility or any other facility it or operated in Louisiana. Over the years, some asbestos containing materials located at its former Marrero plant (such as transite paneling and pipe insulation) may have been removed and disposed offsite by asbestos abatement contractors. Records of such removal and disposal activities now would be possessed by Knight Industries or Knight-Celotex, LLC. To the best of its knowledge, Celotex has not made any asbestos materials available to residents or any other persons for use or fill, as paving material, or for any other purposes, and does not have any documents or information relating to such actions.

The foregoing represents the information and documentation Celotex has been able to locate concerning its former Marrero plant and the Site. Knight-Celotex, LLC, could also have certain additional information and/or documentation regarding the plant and waste disposal at the Site. Knight Industries' address is:


Knight Industries, LLC  
227 West Madison, 19<sup>th</sup> Floor  
Chicago, Illinois 60606  
Attention: Mr. James Knight

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Should you have any further questions regarding this matter, please contact me.

Very truly yours,

KEATING, MUETHING & KLEKAMP, P.L.L.

By:   
Brian M. Babb

cc: George N. Wood, Esq.